

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6854

BILL NUMBER: HB 1304

NOTE PREPARED: Jan 7, 2013

BILL AMENDED:

SUBJECT: Funding Public Safety Answering Points.

FIRST AUTHOR: Rep. Karickhoff

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: *Maximum Levies:* This bill authorizes the fiscal bodies of a county and another political subdivision that are parties to a contract under which the county has assumed the responsibility of operating a public safety answering point (PSAP) to jointly petition the Department of Local Government Finance (DLGF) to adjust the maximum permissible ad valorem property tax levies of the respective units.

CEDIT for Public Safety Answering Points: This bill provides that in a county that operates a PSAP, an additional County Economic Development Income Tax (CEDIT) rate of 0.1% may be imposed to pay expenses incurred by the county to operate the PSAP.

[A public safety answering point is a call center responsible for answering calls to an emergency telephone number for police, firefighting, and ambulance services.]

Effective Date: July 1, 2013.

Explanation of State Expenditures: *Department of Local Government Finance, Department of State Revenue, and State Budget Agency:* The bill's requirements are within the agency's routine administrative functions and should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: *Maximum Levies:* If a county is under contract with another taxing unit to operate a PSAP, this provision would allow the parties to jointly petition the (DLGF) to transfer a portion of the taxing unit's levy authority to the county unit. If approved, the levy authority transferred would equal the amount levied by the taxing unit in the previous year to pay expenses for the operation of the PSAP.

Overall, total property tax levies would be unchanged. There would be some tax shift from property taxpayers within the taxing unit to all property taxpayers within the county. In addition, a portion of other revenues that are distributed on the basis of the property tax levy, such as motor vehicle excise tax and LOIT shares, would also be shifted from the taxing unit to the county. Any impact would depend on local action.

CEDIT for Public Safety Answering Points: This bill allows counties who operate a PSAP to adopt an ordinance to impose an additional 0.1% CEDIT on the income of resident county taxpayers. The revenue collected from this tax must be used to pay for the operating expenses of the PSAP. The rate imposed for this purpose is not included when computing the maximum allowable CEDIT rate or any other combinations of local option income tax rates. Currently, 77 counties impose a CEDIT, and 65 of those counties have reached the maximum combined rate for the base local option income taxes. The table below contains estimates of the certified LOIT distributions at a 0.1% rate for the counties who have adopted a LOIT.

County Name	CY 2014	CY 2015	County Name	CY 2014	CY 2015
Adams	581,780	593,540	Madison	2,026,830	2,074,410
Allen	7,753,340	7,947,350	Marion*	17,032,820	17,271,100
Bartholomew	1,889,290	1,921,930	Marshall*	790,690	809,080
Benton	167,540	173,550	Martin	184,040	189,660
Blackford	192,040	193,550	Miami	522,890	533,510
Boone*	2,166,730	2,248,880	Monroe*	2,567,510	2,626,680
Brown	270,310	279,140	Montgomery	645,220	658,050
Carroll	403,240	414,250	Morgan	1,392,810	1,431,520
Cass	608,530	618,790	Newton*	297,970	305,720
Clark	2,119,100	2,170,910	Noble	775,510	796,630
Clay*	437,490	448,490	Ohio*	109,700	112,360
Clinton	553,670	572,320	Orange	263,120	268,310
Crawford	141,360	146,080	Owen	322,770	328,000
Daviess	553,670	572,320	Parke	244,610	251,290
Dearborn*	1,083,000	1,098,160	Perry	304,850	312,660
Decatur	469,690	485,980	Pike	266,320	271,730
Delaware	1,732,990	1,751,710	Porter	4,427,030	4,580,200

County Name	CY 2014	CY 2015	County Name	CY 2014	CY 2015
DeKalb	759,760	776,300	Posey	607,210	619,190
Dubois	1,155,470	1,186,350	Pulaski	282,500	289,510
Elkhart	3,026,630	3,082,260	Putnam	588,050	602,990
Fayette	310,020	314,830	Randolph	404,810	412,450
Floyd	1,749,930	1,782,740	Ripley	533,350	547,270
Fountain	337,340	347,380	Rush	226,370	232,280
Franklin	435,890	442,790	Scott	330,370	338,220
Fulton	356,370	365,790	Shelby	833,440	844,890
Gibson	720,400	730,310	Spencer	414,400	427,280
Grant	1,048,190	105,830	St. Joseph	5,056,070	5,148,010
Greene*	536,960	541,430	Starke	337,540	344,350
Hamilton*	11,196,710	11,943,500	Steuben	662,180	680,130
Hancock	1,730,460	1,786,90	Sullivan	354,960	361,550
Harrison	758,900	774,750	Switzerland*	135,936	140,543
Hendricks	3,769,480	3,969,360	Tippecanoe	3,236,940	3,290,030
Henry	785,370	803,322	Tipton	332,420	338,600
Howard	1,472,000	1,481,970	Union	121,360	126,440
Huntington	648,290	662,640	Vanderburgh*	3,493,360	3,519,550
Jackson	746,680	769,330	Vermillion	295,750	300,320
Jasper	667,810	690,940	Vigo	1,777,620	1,786,510
Jay	306,040	310,260	Wabash	530,100	538,160
Jefferson	576,190	587,070	Warren	190,610	196,190
Jennings	407,030	418,110	Warrick	1,656,860	1,724,200
Johnson*	3,384,240	3,512,550	Washington	402,010	412,800
Knox	694,510	707,830	Wayne	1,026,630	1,041,470
Kosciusko	1,477,360	1,505,390	Wells	495,290	511,590
Lagrange	463,610	474,400	White	480,650	495,270
LaPorte	1,999,650	2,037,280	Whitley	664,590	690,240

County Name	CY 2014	CY 2015	County Name	CY 2014	CY 2015
Lawrence*	739,810	756,860			

* These counties currently do not have a CEDIT.

State Agencies Affected: Department of Local Government Finance; Department of State Revenue; State Budget Agency.

Local Agencies Affected: Counties and other taxing units.

Information Sources: LSA: 1% Certified LOIT Estimates.

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